



## **2021 Retail Client Target Market Determination - OANDA Products**

**5th October 2021  
Version 1.0**

**OANDA Australia Pty Ltd  
ACN 152 088 349; AFSL 412981  
Level 1, 60 Martin Place  
Sydney NSW 2000**

## Introduction

OANDA Australia Pty Ltd (referred to as **OANDA**, **us**, **our** or **we**) operates a contracts for difference (**CFDs**) business. OANDA is a product issuer and issues CFDs and FX products (known hereafter as **OANDA Products**) to clients, including retail clients. The design and distribution obligations set out in Part 7.8A of the *Corporations Act 2001* (**DD Obligations**) apply to the issue and distribution of OANDA Products to retail clients (**Consumers**) from 5 October 2021.

OANDA are authorised and regulated by the Australian Securities and Investments Commission (ASIC), with licence number 412981 and registered office located at Level 1, 60 Martin Place, Sydney NSW 2000.

The DD Obligations aim to assist Consumers to obtain appropriate financial products by requiring product issuers and distributors to have a consumer-centric approach to the design and distribution of financial products.

The purpose of this target market determination (**TMD**) is to describe the target market of Consumers for our OANDA Products, and to address the DD Obligations that apply to TMDs.

If you are a retail client, you should refer to the relevant Product Disclosure Statement (**PDS**) before deciding whether to acquire or continue to hold the relevant product. You can get a copy of the relevant PDS from our website <https://www.oanda.com/au-en/trading/>

You should not base any decision to trade on the contents of this TMD, and this document is not suitable for the purpose of deciding whether to open a CFDs trading account or trade in CFDs.

## Financial products issued by us

OANDA Products are complex and leveraged financial products, which are traded over-the-counter (OTC) and not through a regulated market. OANDA Products are agreements to exchange the difference in the value of a particular underlying asset. This allows Consumers to speculate on rising or falling prices of an underlying asset.

## Types of OANDA Products

- OANDA Index CFDs
- OANDA Commodity CFDs
- OANDA Treasury CFDs
- OANDA Cryptocurrency CFDs
- OANDA Metals CFDs, and
- OANDA FX Products

**This TMD has been prepared specifically in relation to our OANDA Products.**

## The Target Market

The target market for our OANDA Products include the following class of Consumer:

A consumer who satisfies each of the following criteria:

- This TMD is applicable to Retail Clients Only
- The consumer is 18 years or older;
- The consumer has had previous experience and/or has a satisfactory level of knowledge of trading in Contracts for Difference (CFDs) including FX products;
- The consumer has received the most up to date version of OANDA's disclosure documents i.e. FSG, PDS, Account Terms, Risk Statement;
- The consumer understands the terms and features of the OANDA Products and how they work;
- The consumer is willing and able to accept a high degree of risk in trading the OANDA Products;
- The consumer has the financial resources to provide additional margin, especially on little or no notice;
- The consumer can bear losing some if not all of their deposited funds.

Those Consumers who satisfy the above criteria and wish to trade OANDA Products for investment purposes are in OANDA's target market.

### Target Market - Criteria, Scope and Key Attributes

Further details regarding OANDA's target market for OANDA Products is set out below:

Criteria	Scope and key attributes
Client type	Retail clients  This target market determination does not apply to wholesale clients, including sophisticated investors or professional investors
Knowledge and experience	Only consumers who have the requisite knowledge and/or experience to trade in OANDA Products, as assessed by OANDA.  OANDA undertakes assessment of the Consumer's experience and knowledge trading in OANDA Products prior to approving and distributing the products to the client
Ability to bear losses	Consumers who are prepared to lose amounts that are equal to the sum of their total deposits
Tolerance to risk	OANDA Products are suitable for consumers with high investment risk tolerance.

Client needs	<p>Our OANDA Products and their key attributes are likely to be consistent with the likely objectives, financial situation and needs of those consumers who:</p> <ul style="list-style-type: none"> <li>&gt; wish to trade in OANDA Products,</li> <li>&gt; have a high investment risk tolerance; and</li> <li>&gt; can afford to bear losses of some if not all deposited funds.</li> </ul> <p>Our OANDA Products are designed to be suitable only for consumers with the likely objectives, financial situation and needs described above. This is because our OANDA Products are highly leveraged and volatile, and expected returns may be positive or negative.</p> <p><b>Our OANDA Products are not compatible with the needs of consumers who:</b></p> <ul style="list-style-type: none"> <li>&gt; are seeking capital protection or stability;</li> <li>&gt; are risk-averse;</li> <li>&gt; are seeking regular or otherwise predictable returns on their investments;</li> <li>&gt; cannot afford to bear losses.</li> </ul>
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### Consumers for whom OANDA Products are unsuitable

OANDA Products are generally unsuitable for the following classes of consumers:

- Consumers below the age of 18 years;
- Consumers who reside in a country which restricts or prohibits trading in OANDA Products;
- Consumers who do not have the requisite knowledge for trading OANDA Products;
- Consumers who have a low tolerance to risk;
- Consumers who do not have the ability and willingness to lose the sum of their deposits;
- Consumers who wish to trade using welfare benefits or pensions for trading purposes;

### Distribution Conditions

Our OANDA Products are distributed by OANDA Australia Pty Ltd (OANDA).

OANDA will take reasonable steps to ensure that we distribute the OANDA Products to the identified target market.

To ensure that the distribution strategy is consistent with the identified target market, we have several processes in place to ensure that the consumers who are potential clients fall within the identified target market. OANDA will verify whether potential clients fall within the identified target market during the onboarding process, before approving them and allowing them to trade OANDA Products on the trading platform.

We will also take reasonable steps to ensure that our marketing strategy is targeting potential clients who fall within the identified target market. All new marketing campaigns shall be reviewed and approved by Compliance prior to its publication, to check that it does not contain elements which may attract potential clients outside of the intended target market.

## **Monitoring and Reviewing the TMD**

### **Periodic Reviews**

We will perform periodic reviews of this TMD. The first review of this TMD will occur on 5th April 2022

Subsequent reviews of the TMD will occur on each 12 monthly anniversary after the first review.

### **Review Triggers - Additional Reviews**

We will also review the TMD where the following review triggers occur:

- where there are significant dealings (issuing of OANDA Products) in OANDA Products, which are not consistent with the target market or this TMD. This trigger occurs where significant distribution is occurring outside the target market, and does not refer to any one particular dealing in OANDA Products;
- where OANDA has received a large volume of complaints;
- where OANDA has detected significant issues with the distribution of OANDA Products through our monitoring of our own day-to-day activities.

### **Information Collecting and Reporting Requirements**

As part of the process of monitoring and reviewing the TMD to determine whether it is still appropriate, OANDA will have available the following information on a quarterly basis for the board of directors of OANDA Australia Pty Ltd.

- complaints data – information about the complaints received, including the number of complaints received;
- percentage of sales to clients who are not in the target market;
- volume of sales; and
- Consumer analytics

***OANDA Australia Pty Ltd reserve the right to amend the TMD at any time if such amendment is needed as a result of any changes to the law or regulations, regulatory guidance, or for any reason we consider as a proper reason to amend the TMD.***

## Contact

For more information about the Target Market Determination - OANDA Products, please contact:

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Date Modified	Version	Author	Comments
14.07.2021	1.0	A Griffin	Draft
17.09.2021	1.0	G Morris	Final